GOVERNMENT OF INDIA
FINANCE
LOK SABHA

UNSTARRED QUESTION NO:2290
ANSWERED ON:14.03.2008
LIC SHARE IN INSURANCE SECTOR
Yaskhi Shri Madhu Goud

Will the Minister of FINANCE be pleased to state:

(a) the details of the Life Insurance Corporation of India`s (LIC) share in the insurance sector during eaci of the last five years;

(b) whether the market share of LIC in insurance sector has increased during the above period;

(c) if so, the details thereof; and

(d) if not, the reasons therefor?

Answer

THE MEMISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI PAW AN KUMAR BANSAL)

(a): The details of the Life Insurance Corporation of India`s (LIC) share in the insurance sector during each of the last five years in terms of policies issued and the first year premium are as under:

Financial	Market Share (%)	
	Policies	First Year Premium
2002-03	96.70	94.34
2003-04	94.21	87.04
2004-05	91.50	78.07
2005-06	89.08	71.44
2006-07	82.83	74.18

(b), (c) & (d): LIC has reported that in an evolving market, where the total business is expanding speedily and number of players are going up, the market share of the leading player, i.e. LIC, ivill lessen. However, consolidating the market share is a continuous process and curing the last year LIC has shown 118% growth in premium, which has resulted in increasing its market share to 74.18% in 2006-07 from 71.44% 2005-06.